

## **DEPARTMENT OF WORKFORCE DEVELOPMENT**

Division of Economic Support Bureau of Welfare Initiatives

**TO: Economic Support Supervisors** 

**Economic Support Lead Workers** 

**Training Staff** 

**FSET Administrative & Provider Agencies** 

**Child Care Coordinators** 

W-2 Agencies

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Non W-2 [] W-2 [X] CC []

PRIORITY: High

SUBJECT: W-2 INCOME POLICY CHANGES

**CROSS REFERENCE:** Wisconsin Works Manual, Chapter 3

EFFECTIVE DATE: March 1, 2000.

## **PURPOSE**

The purpose of this memo is to convey changes in W-2 policy pertaining to the W-2 financial eligibility test. These changes are pursuant to 1999 Wisconsin Act 9, the 1999-2001 Biennial Budget.

# **BACKGROUND**

Beginning March 1, 2000, disregard these types of income from the 115 % gross income test when determining eligibility for W-2:

# 1. Earned Income of a Dependent Child

Do not count income earned by a dependent minor child or dependent 18-year old in a W-2 group when determining financial eligibility for W-2.

## 2. Child Support and Family Support Payments

Do not count child support and family support payments that are received regularly by the W-2 group when determining financial eligibility for W-2.

Continue to count non-regular payments of child support arrears as an asset. Continue to count maintenance payments to the custodial parent as income.

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Parents must continue to cooperate with the child support agency to be eligible for W-2 services.

# **IMPLEMENTATION**

These policy changes will be implemented in CARES on February 21, 2000.

Beginning on that date, W-2 applicants whose financial eligibility is dependent on this policy change may be approved in CARES for a W-2 placement. However, the actual placement of the individual into an employment position may not occur prior to March 1, 2000.